

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN KARL WAITSCHIES**, on March 23, 2005 at 8:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Karl Waitschies, Chairman (R)
Rep. Gary Branae, Vice Chairman (D)
Rep. Bob Lake, Vice Chairman (R)
Rep. Edward B. Butcher (R)
Rep. Margaret H. Campbell (D)
Rep. Jill Cohenour (D)
Rep. Tom Facey (D)
Rep. Wanda Grinde (D)
Rep. George G. Groesbeck (D)
Rep. Dennis Himmelberger (R)
Rep. Carol Lambert (R)
Rep. Dave McAlpin (D)
Rep. Jim Peterson (R)
Rep. John (Jack) W. Ross (R)
Rep. Scott Sales (R)
Rep. Bill Warden (R)
Rep. Brady Wiseman (D)

Members Excused: None.

Members Absent: Rep. John Balyeat (R)
Rep. Norma Bixby (D)
Rep. Holly Raser (D)

Staff Present: Jeff Martin, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 528, 3/21/2005; HB 792,
3/21/2005; SJ 20, 3/21/2005
Executive Action: HB 763; HB 770; HB 569; HB 720;
HB 689; HB 771; HB 572; HB 762;
HB 784; HB 774

HEARING ON SJ 20**Opening Statement by Sponsor:**

00:01:33 SEN. AUBYN CURTISS (R), SD 1, opened the hearing
on SJ 20, Request performance audit on extent of
conservation easements.

[EXHIBIT \(tah64a01\)](#)

[EXHIBIT \(tah64a02\)](#)

[EXHIBIT \(tah64a03\)](#)

[EXHIBIT \(tah64a04\)](#)

[EXHIBIT \(tah64a05\)](#)

Proponents' Testimony:

00:03:29 Mona Jamison, representing Montana Association of
Land Trusts

00:04:30 Rock Ringling, Managing Director, Montana Land
Alliance

Opponents' Testimony: None.**Informational Testimony:**

00:05:01 Dolores Cooney, Montana Department of Revenue

Questions from Committee Members and Responses:

00:05:46 REP. WISEMAN

00:07:07 REP. PETERSON

00:08:54 REP. ROSS

00:15:00 REP. BUTCHER

00:21:10 REP. WARDEN

00:21:55 REP. LAKE

00:26:54 REP. WISEMAN

00:30:34 CHAIRMAN WAITSCHIES

00:34:22 REP. BUTCHER

00:38:36 REP. McALPIN

00:40:54 REP. LAMBERT

Closing by Sponsor:

00:41:43 SEN. AUBYN CURTISS (R), SD 1 closed the hearing on
SJ 20.

HEARING ON HB 528**Opening Statement by Sponsor:**

00:44:44 **REP. ROGER KOOPMAN (R), HD 70**, opened the hearing on **HB 528**, Year round license for West Yellowstone airport.

Proponents' Testimony:

00:50:40 Debbie Alke, Administrator, Aeronautics Division, Department of Transportation

00:53:26 Julia Steinbach, Business Owner, West Yellowstone

EXHIBIT (tah64a06) Jack Stozzi via letter

EXHIBIT (tah64a07) Michael & Gayle Gavagan, Bar N Ranch via letter

EXHIBIT (tah64a08) Pine Shadows Motel via letter

EXHIBIT (tah64a09) F. Barton Beattie via letter

00:57:21 Mike Gavagan, Managing Director Ban N Ranch

00:58:39 Trish Boule, West Yellowstone resident, lessee of West Yellowstone Airport restaurant

Opponents' Testimony:

01:00:17 Marcia Gray, business owner in West Yellowstone

Informational Testimony:

01:03:00 Neil Peterson, Montana Department of Revenue

Questions from Committee Members and Responses:

01:03:17 **CHAIRMAN WAITSCHIES**

01:07:47 **REP. HIMMELBERGER**

01:11:47 **REP. WARDEN**

01:16:33 **REP. LAMBERT**

01:19:15 **REP. BUTCHER**

01:23:20 **REP. GROESBECK**

01:31:15 **REP. ROSS**

01:32:09 **REP. HIMMELBERGER**

01:33:30 **REP. BUTCHER**

01:39:27 **CHAIRMAN WAITSCHIES**

Closing by Sponsor:

01:41:47 **REP. ROGER KOOPMAN (R), HD 70** closed the hearing on **HB 528**.

HEARING ON HB 792**Opening Statement by Sponsor:**

01:47:36 **REP. ROGER KOOPMAN (R), HD 70**, opened the hearing on **HB 792**, Statewide school property tax reduction for excess budget surplus.

Proponents' Testimony: None.**Opponents' Testimony:**

01:54:33 Tom Bilodeau, MEA/MFT

Informational Testimony:

01:56:00 Dolores Cooney, Montana Department of Revenue

Questions from Committee Members and Responses:

01:56:19 **REP. WARDEN**

01:56:59 **REP. ROSS**

01:57:30 **REP. COHENOUR**

01:58:17 *REP. BIXBY arrived at hearing*

02:06:52 **REP. BUTCHER**

02:08:10 **REP. McALPIN**

Closing by Sponsor:

02:10:04 **REP. ROGER KOOPMAN (R), HD 70** closed the hearing on **HB 792**.

02:11:26 Break

02:28:51 Resume

EXECUTIVE ACTION ON HB 572

02:30:14 **Motion:** **REP. SALES** moved that **HB 572 DO PASS**.

Discussion:

02:30:29 **REP. SALES**

02:31:01 **REP. COHENOUR**

02:31:20 **REP. ROSS**

02:31:55 **REP. LAKE**

02:32:33 **Vote:** Motion failed 10-10 by roll call vote with **REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN** voting aye and **REPS. BRANAE, BALYEAT and RASER** voting by proxy.

EXECUTIVE ACTION ON HB 569

02:34:18 Motion: REP. FACEY moved that HB 569 DO PASS.

02:34:25 Motion: REP. FACEY moved that HB 569 BE AMENDED.
EXHIBIT(tah64a10)

Discussion:

02:34:42 REP. PETERSON

02:35:13 REP. FACEY

02:37:03 REP. ROSS

02:39:00 REP. FACEY

02:39:24 Vote: Motion carried unanimously by voice vote
with REPS. BRANAE, BALYEAT and RASER voting by
proxy.

02:39:53 Motion: REP. PETERSON moved that HB 569 DO PASS
AS AMENDED.

Discussion:

02:40:00 REP. LAMBERT

02:40:34 REP. FACEY

02:41:26 Vote: Motion passed 18-2 by roll call vote with
REPS. BIXBY and GRINDE voting aye and REPS.
BRANAE, BALYEAT and RASER voting by proxy.

EXECUTIVE ACTION ON HB 720

(Continuation of previous execution action)

02:42:43 Motion: REP. SALES moved that HB 720 DO PASS AS
AMENDED.

Discussion:

02:44:05 Jeff Martin, Legislative Services Division

02:45:24 Motion: REP. SALES moved to RECONSIDER THE
PREVIOUS MOTION TO AMEND HB 720.

Discussion:

02:45:42 REP. PETERSON

02:45:49 Substitute Motion: REP. PETERSON made a
substitute motion that HB 720 BE AMENDED BY
REPLACING AMENDMENT #01 WITH AMENDMENT #02.

02:46:41 **Without objection, REP. PETERSON withdrew the Substitute Motion.**

02:46:48 **Vote: Motion to RECONSIDER THE MOTION TO AMEND HB 720 carried 19-1 by voice vote with REP. GROESBECK voting no and REPS. BALYEAT and RASER voting by proxy.**

02:47:36 **Motion: REP. FACEY moved to REMOVE AMENDMENT #01 from HB 720.**

Discussion:
02:48:25 Jeff Martin, Legislative Services Division
02:49:56 **REP. FACEY**
02:50:06 Curt Chisolm, Montana Building Industry Association

02:51:29 **Vote: Motion carried unanimously by voice vote with REPS. BALYEAT and RASER voting by proxy.**

02:51:46 **Motion: REP. FACEY moved that HB 720 BE AMENDED.**
EXHIBIT(tah64a11)

Discussion:
02:51:55 Jeff Martin, Legislative Services Division
02:52:43 **REP. McALPIN**

02:53:18 **Vote: Motion carried 19-1 by voice vote with REP. GROESBECK voting no and REPS. BALYEAT and RASER voting by proxy.**

02:54:11 **Motion: REP. FACEY moved that HB 720 DO PASS AS AMENDED.**

Discussion:
02:54:26 **REP. COHENOUR**
02:54:47 **REP. WISEMAN**
02:56:27 **REP. SALES**
02:57:10 Jeff Martin, Legislative Services
02:57:21 **REP. BUTCHER**
02:57:56 **REP. COHENOUR**
02:58:18 **REP. LAMBERT**
02:59:05 **REP. FACEY**

03:00:04 **Vote: Motion carried 12-8 by roll call vote with REPS. BIXBY, BRANAE, CAMPBELL, COHENOUR, GRINDE, GROESBECK, RASER, and WISEMAN voting no and REPS. BALYEAT and RASER voting by proxy.**

EXECUTIVE ACTION ON HB 762

03:01:53 Motion: REP. LAKE moved that HB 762 DO PASS.

03:02:10 Motion: REP. LAKE moved that HB 762 BE AMENDED.
EXHIBIT (tah64a12)

Discussion:

03:04:07 Jeff Martin, Legislative Services Division

03:09:42 REP. BRANAE

03:10:00 REP. HIMMELBERGER

03:11:22 REP. SALES

03:11:44 Vote: Motion failed 9-11 by roll call vote with
REPS. BALYEAT, BUTCHER, GROESBECK, HIMMELBERGER,
LAKE, LAMBERT, PETERSON, ROSS, and WAITSCHIES
voting aye and REPS. BALYEAT and RASER voting by
proxy.

Discussion:

03:13:17 REP. COHENOUR

03:13:56 REP. SALES

03:14:44 REP. BUTCHER

03:16:01 REP. HIMMELBERGER

03:17:05 Vote: Motion failed 10-10 by roll call vote with
REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE,
LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and
WARDEN voting aye and REPS. BALYEAT and RASER
voting by proxy.

EXECUTIVE ACTION ON HB 763

03:18:46 Motion/Vote: REP. FACEY moved that HB 763 BE
TABLED. Motion carried 19-1 by voice vote with
REP. BUTCHER voting no and REPS. BALYEAT and RASER
voting by proxy.

EXECUTIVE ACTION ON HB 770

03:21:09 Motion: REP. CAMPBELL moved that HB 770 DO PASS.

Discussion:

03:21:15 **REP. BUTCHER**

03:22:37 *REP. RASER arrived at Committee Hearing.*

03:22:51 **REP. GROESBECK**

03:24:57 **REP. HIMMELBERGER**

03:26:07 **REP. ROSS**

03:26:33 **REP. LAKE**

03:27:55 **REP. COHENOUR**

03:28:49 **REP. LAMBERT**

03:29:15 **Vote: Motion failed 8-12 by roll call vote with REPS. BIXBY, BRANAE, COHENOUR, FACEY, GRINDE, GROESBECK, MCALPIN, and RASER voting aye and REP. BALYEAT voting by proxy.**

03:30:24 **Motion/Vote: REP. LAKE moved that HB 770 BE TABLED AND THE VOTE REVERSED. Motion carried by voice vote with REP. BALYEAT voting by proxy.**

EXECUTIVE ACTION ON HB 771

03:31:04 **Motion: REP. LAKE moved that HB 771 DO PASS.**

03:31:13 **Motion: REP. GROESBECK moved that HB 771 BE AMENDED.**

EXHIBIT (tah64a13)

03:31:36 *REP. BIXBY left Committee Hearing.*

Discussion:

03:31:46 **REP. GROESBECK**

03:32:42 **REP. SALES**

03:32:54 Jeff Martin, Legislative Services Division

03:34:06 **SEN. STEVE GALLUS, SD37**

03:35:33 **REP. PETERSON**

03:36:29 **Vote: Motion carried unanimously by voice vote with REPS. WISEMAN, BALYEAT and BIXBY voting by proxy.**

03:36:54 **Motion: REP. ROSS moved that HB 771 DO PASS AS AMENDED.**

03:36:57 *REP. BIXBY returned to Committee Hearing.*

Discussion:

03:37:01 **REP. BUTCHER**
03:38:47 **REP. COHENOUR**
03:40:50 **REP. GROESBECK**
03:42:40 **REP. ROSS**
03:43:30 **REP. LAMBERT**
03:44:24 **REP. SALES**
03:45:25 **REP. HIMMELBERGER**

03:45:48 **Vote: Motion carried 14-6 by roll call vote with REPS. BUTCHER, HIMMELBERGER, PETERSON, SALES, WAITSCHIES, and WARDEN voting no and REPS. BALYEAT and WISEMAN voting by proxy.**

EXECUTIVE ACTION ON HB 689

03:47:19 **Motion: REP. COHENOUR moved that HB 689 DO PASS.**

Discussion:

03:47:42 **REP. FACEY**
03:48:08 **REP. GROESBECK**
03:48:35 **REP. ROSS**
03:48:49 **REP. LAKE**

03:49:42 **Vote: Motion carried 18-2 by roll call vote with REPS. BALYEAT and LAKE voting no with REPS. BALYEAT, CAMPBELL and WISEMAN voting by proxy.**

EXECUTIVE ACTION ON HB 774

03:50:58 **Motion: REP. HIMMELBERGER moved that HB 774 DO PASS.**

03:51:33 **Motion/Vote: REP. HIMMELBERGER moved that HB 774 BE AMENDED. Motion carried 19-1 by voice vote with REP. BIXBY voting no with REPS. BALYEAT and WISEMAN voting by proxy.**

EXHIBIT(tah64a14)

03:54:07 **Motion: REP. HIMMELBERGER moved that HB 774 DO PASS AS AMENDED.**

Discussion:

03:54:24 **REP. HIMMELBERGER**
03:55:34 **REP. ROSS**

03:55:53 Vote: Motion failed 10-10 by roll call vote with REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN voting aye and REPS. BALYEAT and WISEMAN voting by proxy.

EXECUTIVE ACTION ON HB 784

03:57:10 Motion: REP. COHENOUR moved that HB 784 DO PASS.

Discussion:

03:57:22 REP. SALES
03:58:01 REP. LAMBERT
03:58:46 REP. BUTCHER
03:59:27 REP. WARDEN
04:00:06 REP. PETERSON
04:01:13 REP. BRANAE
04:01:41 REP. COHENOUR
04:05:53 Nancy Schlepp, Montana Farm Bureau Federation
04:06:50 REP. COHENOUR
04:07:36 CHAIRMAN WAITSCHIES

04:08:19 Vote: Motion failed 10-10 by roll call vote with REPS. BIXBY, BRANAE, CAMPBELL, COHENOUR, FACEY, GRINDE, GROESBECK, MCALPIN, RASER, and WISEMAN voting aye and REPS. BALYEAT and WISEMAN voting by proxy.

04:09:26

ADJOURNMENT

Adjournment: 12:15 P.M.

REP. KARL WAITSCHIES, Chairman

DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

EXHIBIT ([tah64aad0.TIF](#))